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APR 27 '04

1-00 PM

SURFACE TRANSPORTATION BOARD

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

April 27, 2004

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of an Instrument of Full Satisfaction and Release, dated as of April 1, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document is a complete release and relates to the Equipment Trust Agreement and the assignment of lease therein which was previously filed with the Commission under Recordation Numbers 5869.

The name and address of the party to the enclosed document are:

Indenture Trustee: United States Trust Company of New York
100 Park Avenue
New York NY 10017

[Owner Trustee: First Western Bank and Trust Company
235 Montgomery Street
San Francisco, CA 94104]

[Lessee: Canadian National Railway Company
935 de la Gauchetiere St. West
Montreal, Quebec H3W 2N1
Canada]

Mr. Vernon A. Williams
April 27, 2004
Page 2

is: A description of the railroad equipment covered by the enclosed document

650 covered hopper cars: CN 378350 – CN 378999.

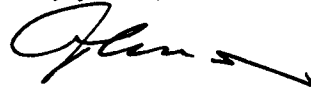
A short summary of the document to appear in the index is:

Instrument of Full Satisfaction and Release.

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alvord', with a long horizontal stroke extending to the right.

Robert W. Alvord

RWA/anm
Enclosures

INSTRUMENT OF FULL SATISFACTION AND RELEASE dated as of April 1, 2004 by the UNITED STATES TRUST COMPANY OF NEW YORK, as indenture trustee.

RECORDATION NO. 5869-C FILED

WITNESSETH:

APR 27 '04 1-00 PM

SURFACE TRANSPORTATION BOARD

WHEREAS, the First Western Bank and Trust Company (predecessor-in-interest to the *Bank of the West*) (the "Owner Trustee") and The Canadian Bank of Commerce Trust Company (predecessor-in-interest to the *United States Trust Company of New York*) (the "Indenture Trustee") entered into an Equipment Trust Agreement dated as of November 1, 1970 (the "Agreement") whereby, among other things, the Indenture Trustee i) held a security interest in, and security title to, the six-hundred fifty (650) 100-ton covered hopper cars marked CN 378350 to CN 378999 inclusive (the "Equipment") and ii) a collateral assignment of the Lease (as defined hereinbelow);

WHEREAS, the Agreement was i) filed and recorded with the Interstate Commerce Commission (now the Surface Transportation Board) (the "STB") on November 12, 1970 at 2:40 P.M. and assigned primary recordation no. 5869 and ii) deposited in the offices of the Registrar General of Canada (the "Registrar") on November 18, 1970 at 1:30 P.M.;

WHEREAS, the Owner Trustee and Canadian National Railway Company entered into a Lease of Equipment dated as of November 1, 1970 (the "Lease") covering the Equipment;

WHEREAS, the Lease was i) filed and recorded with the STB on November 12, 1970 at 2:40 P.M. and assigned secondary recordation no. 5869-A and ii) deposited in the offices of the Registrar on November 18, 1970 at 1:30 P.M.;

WHEREAS, the Owner Trustee and the Indenture Trustee entered into a Collateral Assignment of Lease and Agreement dated as of November 1, 1970 (the "Assignment") whereby the Lease was assigned to the Indenture Trustee as security for the obligations of the Owner Trustee under the Agreement;

WHEREAS, the \$10,003,000 9¾% Equipment Trust Certificates due 1985 (issued under the Agreement by the Owner Trustee) have been paid in full in accordance with their terms.

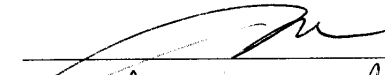
NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, the Indenture Trustee hereby i) releases its security interest in, and security title to, the Equipment and ii) terminates the Assignment in respect of the Lease.

IN WITNESS WHEREOF, the Indenture Trustee has caused this Instrument to be signed in its name by its duly authorized officer as of the day and year first above written.

UNITED STATES TRUST COMPANY OF NEW YORK,
as indenture trustee

By:

Title:


Assistant Vice President

CN File Reference: 2042-05

STATE OF NEW ~~YORK~~ ^{Jersey})
CITY OF NEW ~~YORK~~ ^{Hudson}) ss:

On this 6th day of April, 2004, before me personally appeared Michael Taylor to me personally known who, by me duly sworn, says that he / she is Asst. Vice President of United States Trust Company of New York, that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he / she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

FREDDY MARINEZ
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires January 9, 2007

My commission expires

[Seal]

INSTRUMENT OF FULL SATISFACTION AND RELEASE dated as
of April 1, 2004 by the UNITED STATES TRUST COMPANY OF
NEW YORK, as indenture trustee.

RECORDATION NO. 5869-C FILED

WITNESSETH:

APR 27 '04 1-00 PM

SURFACE TRANSPORTATION BOARD

WHEREAS, the First Western Bank and Trust Company (predecessor-in-interest to the *Bank of the West*) (the "Owner Trustee") and The Canadian Bank of Commerce Trust Company (predecessor-in-interest to the *United States Trust Company of New York*) (the "Indenture Trustee") entered into an Equipment Trust Agreement dated as of November 1, 1970 (the "Agreement") whereby, among other things, the Indenture Trustee i) held a security interest in, and security title to, the six-hundred fifty (650) 100-ton covered hopper cars marked CN 378350 to CN 378999 inclusive (the "Equipment") and ii) a collateral assignment of the Lease (as defined hereinbelow);

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WHEREAS, the Owner Trustee and the Indenture Trustee entered into a Collateral Assignment of Lease and Agreement dated as of November 1, 1970 (the "Assignment") whereby the Lease was assigned to the Indenture Trustee as security for the obligations of the Owner Trustee under the Agreement;

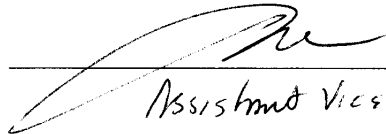
WHEREAS, the \$10,003,000 9¾% Equipment Trust Certificates due 1985 (issued under the Agreement by the Owner Trustee) have been paid in full in accordance with their terms.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, the Indenture Trustee hereby i) releases its security interest in, and security title to, the Equipment and ii) terminates the Assignment in respect of the Lease.

IN WITNESS WHEREOF, the Indenture Trustee has caused this Instrument to be signed in its name by its duly authorized officer as of the day and year first above written.

UNITED STATES TRUST COMPANY OF NEW YORK,
as indenture trustee

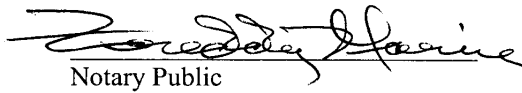
By:
Title:


Assistant Vice President

CN File Reference: 2042-05

Jersey
STATE OF NEW YORK)
Hudson) ss:
CITY OF NEW YORK)

On this 6th day of April, 2004, before me personally appeared Michael Taylor to me personally known who, by me duly sworn, says that he / she is Asst. Vice President of United States Trust Company of New York, that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he / she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

FREDDY MARINEZ
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires January 9, 2007

My commission expires

[Seal]